

NO. 21,105

In the
UNITED STATES COURT OF APPEALS
For the NINTH CIRCUIT

RPTZ-PATCO., INC.

Appellant,

v.

PACIFIC INLAND NAVIGATION
COMPANY, INC.,

Appellee.

APPELLANT'S REPLY BRIEF

JOHN R. GILBERTSON, Esquire
1200 Jackson Tower
Portland, Oregon 97205
Telephone (503) 226-6151

JAS. M. NAYLOR, Esquire
JOHN K. UILKEMA, Esquire
1650 Russ Building
San Francisco, California 94104
Telephone (415) 362-7543

Attorneys for Appellant

FILED

DEC 1 1966

WM. B. LUCK, CLERK

FEB 15 1967

INDEX OF TOPICS

APPELLANT'S REPLY BRIEF

	<u>Page</u>
INTRODUCTION	2
ARGUMENT	3
Obviousness	3
Prior Art	13
Presumption of Validity	18
Additional Grounds for Affirming the Finding of Invalidity	20
CONCLUSION	21

ANSWERING BRIEF ON CROSS-APPEAL

STATEMENT OF JURISDICTION	23
STATEMENT OF THE CASE.	23
CROSS-APPELLANT'S NON-INFRINGEMENT ARGUMENT	24
The Continuous Character of the Cofferdam Structure in the Accused Barges	26
The V-Shaped Character of the Cofferdam Structure in the Accused Barges	31
CROSS-APPELLANT'S FILE WRAPPER ESTOPPEL ARGUMENT	33
The First Asserted File Wrapper Estoppel. . .	33
The Second Asserted File Wrapper Estoppel . .	35

	<u>Page</u>
CROSS-APPELLANT'S WILLFUL INFRINGEMENT ARGUMENT	38
CONCLUSION	42
CERTIFICATE OF CONFORMANCE	43
CERTIFICATE OF SERVICE	43

INTRODUCTION

At the outset, it is noted that appellee has criticized appellant (Appellee's Br. 10)* for not challenging findings of fact. This criticism is considered ill founded for the simple reason that the District Court made no formal findings subject, as such, to specific challenge, but rather treated its findings as follows (C.T. 132):

"The agreed facts and this opinion shall serve as my findings."

Appellant has specified (Appellant's Br. 17-22) the errors upon which it relies with record reference to the portions of the District Court's opinion wherein the errors occur. This treatment is believed as precise as possible and in full compliance with the rules of this Court and, specifically, Rule 18(d). Certainly where the

*As hereinafter used, references to Appellant's Opening Brief are indicated by "Appellant's Br."; references to Appellee's combined Answering Brief and Brief on Cross Appeal are indicated by "Appellee's Br."; references to the Clerk's Transcript of the Record are indicated by "C.T."; references to the Reporter's Transcript are indicated by "R.T."; and references to Plaintiff's and Defendant's exhibits are indicated by "PX" and "DX", respectively.

District Court has made no formal findings, as such, appellant is not required to conjure up findings. To do so would merely burden this Court by requiring that it correlate the conjured findings to the actual findings embodied in the opinion of the District Court.

Rather than dwelling further on appellee's statement of the case and comments regarding findings, appellant will focus attention on the argument portion of Appellee's Opening Brief. It is believed that this treatment is best suited to resolution of the questions actually before the Court (Appellant's Br. 16-17). For this reason, and the sake of clarity, the following sections are captioned with headings corresponding to the sections of the argument portion in appellee's brief to which they pertain.

ARGUMENT

Obviousness

From a reading of appellee's generalizations directed to public interest and free enterprise (Appellee's Br. 14) it appears that appellee would have the Court believe that where these considerations are involved, a patent cannot be upheld. If intended to be this all encompassing, this generalization must be denied. It is the very purpose of

the patent system to promote the progress of the useful arts for the benefit of the public. This is in keeping with Art. I, §8 of the United States Constitution which authorizes the Congress "To promote the Progress of ... useful Arts, by securing for limited Times to ... Inventors the exclusive Right to their ... Discoveries ...".* The patent laws effect the intent of the Constitution by providing a system affording the inventors of inventions satisfying the conditions of patentability prescribed therein the limited benefits of a patent. To deny these benefits simply on the basis that public interest and free enterprise considerations are involved would render the system a nullity.

Appellee's "bold statement" (Appellee's Br. 16)

that:

"No genuine issue existed but that the differences between what Pickrell sought to patent and the prior art would have been obvious at the time of the claimed invention to any person having ordinary skill in the art. (§103)"

*This provision appears in the Constitution spliced together with the copyright provision, which is omitted as not relevant here.

is, more accurately, an opinion based solely on the hindsight opinion testimony of appellee's expert witnesses. The fact that the testimony of appellee's experts on this matter was hindsight opinion has not been controverted, and cannot be controverted, since none of them laid any claim to having seen or conceived the invention before it was made by Mr. Pickrell. The hindsight cloud hangs over the testimony of all of appellee's expert witnesses, including Mr. Newitt, the patent expert. He too laid no claim to having knowledge that anyone had conceived the invention before Mr. Pickrell.

Mr. Pickrell's honesty in admitting that the differences between his invention and the prior art were relatively uncomplicated in construction (R.T. 106-108) does not detract from the invention, or render its conception obvious. When considering Mr. Pickrell's admissions it must be borne in mind that the consideration is being made after the fact, and with previous knowledge of the invention.

Regarding the import of the testimony of appellant's own expert, Mr. Norgaard, quoted at Appellee's Br. 19, it is enough to simply point out that Mr. Norgaard

also did not know of the Pickrell invention before Mr. Pickrell. By his own admission, Mr. Norgaard's comments pertaining to obviousness of construction of the Pickrell invention relate only to construction in hindsight, once given the conception. Appellant again wishes to emphasize the twofold process of every inventive act (see Appellant's Br. 33-36), namely:

1. the conception of the idea by the inventor; and,
2. the application of that idea to the production of a practical result.

When testing invention, inquiry must be made into both of these.

Appellee has urged that the Coast Guard records demonstrate the obviousness of the Pickrell invention (Appellee's Br. 20). Yet it has not shown wherein these records teach, or render obvious, the inventive combination, and specifically the V-shaped cofferdam employed therein. It merely refers to the Coast Guard's requirement that the horizontal cofferdam in the 1934 Barge UMATILLA be enlarged and the Coast Guard's comments relating to plans for proposed barges which were submitted in 1941 and 1957.

Although the plans for the latter barges contemplated the employment of single walled V-shaped cargo holds and the Coast Guard commented on the provision of cofferdams in these barges, no suggestion of a V-shaped cofferdam was made. From the record it does not appear that either of these plans were consummated by the actual construction of a barge. It is interesting to note that at the time these plans were submitted to the Coast Guard, both single walled V-shaped cargo holds and cofferdams, in a general sense, were known. Why then, if the employment of a V-shaped cofferdam as embodied in the Pickrell invention was obvious, as urged by appellee, is it so conspicuously absent from both of the plans and the Coast Guard records? The answer is apparent, it was not obvious.

In effect, the appellee has urged (Appellee's Br. 4) that the reason Mr. Pickrell's invention is absent from the prior art is simply because it was not timely before its making by Mr. Pickrell. In support of this argument, appellee cites the testimony of Mr. L. S. Baier, the designers of the 1934 Barge UMATILLA. The specific testimony of Mr. Baier referred to was in answer to a question by appellee's counsel directed to why Mr. Baier did not design a

V-shaped wheat or grain container with a cofferdam in the Barge UMATILLA and is found at R. T. 412 as follows:

"A Well, at the time this particular barge was designed, the channel upriver, up the Columbia River, was capable of handling a barge of this size, and to build a deeper draft barge which would have been suitable for a V-shaped wheat conveyor, wheat hopper, would have been not economical because you couldn't have loaded the barge to its capacity for lack of water in the river. So this barge was designed to take care of the existing channel at that time and, of course, the Cascade Locks. These barges had to go through, and they were limited to draft likewise. This barge was built to take the maximum draft of the river at that time, the Upper Columbia."

This testimony must be taken for what it is, hindsight conjecture. It should also be realized that this testimony falls far short of answering the obvious inquiries which must be made to establish appellee's contention that timeliness explains the absence of Mr. Pickrell's invention, and particularly the V-shaped cofferdam employed therein, from all of the prior art. In this respect, attention is invited to the following inquiries and comments pertinent thereto:

- 1) How does Mr. Baier's testimony explain the absence of Mr. Pickrell's invention from the great body of prior shipbuilding and

barge art that was not limited to use on the Columbia River? Appellee has cited numerous prior art items which were not limited to shallow draft vessels, such as the oceangoing SINCLAIR PETROLORE (DX 2), but none teach Mr. Pickrell's invention.

- 2) How does Mr. Baier's testimony explain the absence of Mr. Pickrell's invention from the prior art barges used on the Columbia River which employed V-shaped cargo holds, such as the 1957 Barge R-27 (DX 66 and 67)? Certainly, at the time of these barges some practicality or economy must have been expected from the employment of V-shaped cargo holds.

From the history of the art prior to Mr. Pickrell's invention, it cannot be controverted that utility and practicality of barges employing V-shaped cargo holds has long been appreciated. On the record, this art dates from the 1902 patent to McElheny, No. 695,758 (part of composite exhibit PX 6), to the 1956 ship SINCLAIR PETROLORE (DX 2)

and appellant's own barges dated from 1957, as typified by Barge R-27 (DX 66 and 67). It also cannot be denied that the cofferdam art and the rules and regulations relating to the requirements for cofferdams were well known long prior to Mr. Pickrell's invention. On the record this art dates back at least to the 1952 patent to Hudson, No. 2,594,930 (part of composite exhibit PX 6), and the rules and regulations date back to the Coast Guard Rules and Regulations for Tank Vessels (DX 3). The pertinent parts of these Rules and Regulations date back to at least December 31, 1952. With all of this background, no one prior to Mr. Pickrell ever conceived the invention defined by the patent claims here in suit. Once conceived and employed in Tidewater Barges 36 and 37, however, it was quickly copied by appellee, as found by the District Court at C. T. 132, in the construction of accused barges 550, 551 and 552.

The foregoing historical background is of particular significance in establishing "the level of ordinary skill in the pertinent art", one of the basic factual inquiries in testing obviousness under 35 U.S.C. §103 set forth in Graham et al v. John Deere Co. of Kansas et al,

383 U.S. 1, 148 USPQ 459 (February 21, 1966). Specifically, the prior art relating to V-shaped cargo holds and cofferdams demonstrates, as a matter of fact, the level of ordinary skill in the art before Mr. Pickrell's invention and that this level fell short of the invention. In showing this, the history also demonstrates that there had been a long stream of activity in the prior art dating from as early as the 1902 patent to McElheny, No. 695,758 (part of composite exhibit PX6) to the modern day barges of the R-27 type (DX 66 and 67), first constructed in 1957.

Yet no one in the prior art had ever arrived at Mr. Pickrell's invention. They had, to be sure, either avoided the problem solved by Mr. Pickrell's invention, or attempted to solve it in other ways. This can be seen from the many single cargo barges employing V-shaped holds, such as the barge shown in Fletcher patent No. 1,803,105 (part of composite PX 6) and the multiple cargo barges employing tanks separated by cofferdams or other isolation techniques, as demonstrated by Hudson patent No. 2,594,930 (part of composite PX 6). All of this activity, however, can only be taken to establish that Mr. Pickrell's invention was above "the level of ordinary skill in the pertinent art", and the impropriety of relying upon hindsight and conjectural testimony to establish this level.

The activity following Mr. Pickrell's invention is also of relevancy to the secondary considerations under 35 U.S.C. §103 treated by the Supreme Court in the Graham case as follows:

"***Such secondary considerations as commercial success, long felt but unsolved needs failure of others, etc., might be utilized to give light to the circumstances surrounding the origin of the subject matter sought to be patented. As indicia of obviousness or nonobviousness, these inquiries may have relevancy. See Note, Subtests of 'Nonobviousness', 112 U. Pa. L. Rev. 1169 (1964)." (This quotation is taken from that portion of the Graham decision quoted by the District Court at C. T. 129.)

The specific activity referred to is the construction, under Mr. Pickrell's auspices, of two barges incorporating the invention (Nos. 36 and 37) by Tidewater Barge Lines at an expense of about \$600,000 (R. T. 83-87), and the construction of the accused barges (Nos. 550, 551 and 552), found by the District Court to have been constructed in accordance with the claims of the Pickrell patent here in issue (C. T. 132). The quick adoption of the Pickrell invention by both the Tidewater barges and the accused barges, at a considerable expense, must be interpreted as the type of indicia which the Supreme Court had in mind when it commented on the "secondary considerations" to be made under 35 U.S.C. §103 in the Graham decision. Also of significance on this point

is the testimony of Captain Lew Russell, Manager of Tide-water Barge Lines, indicating that Barges 36 and 37 were successful (R.T. 151-154), and the absence of any testimony or other evidence denying or negating the success of the invention as employed in accused Barges 550, 551 and 552.

Prior Art

The prior art covered in appellee's brief corresponds to that noted as pertinent and categorized in appellant's opening brief, with the exception that it adds McElheny patent No. 695,758 (DX 14 and part of composite PX 6). This patent was of record before the Patent Office in the prosecution of the application which matured into the Pickrell patent and may be included in the gravity unloading art categorized at pages 8 and 9 of appellant's opening brief. Insofar as the Pickrell invention is concerned, the McElheny patent is pertinent only in that it shows a single walled V-shaped cargo hold and, accordingly, it does not add materially to the teachings of the art so previously categorized.

At page 24 of its brief appellee has commented as follows:

"***Therefore, it is reiterated that without combining any reference with the UMATILLA it is a complete anticipation of the claims of the Pickrell patent in issue.***"

This, at least in a patent sense, is a most unusual use of the term "complete anticipation".* With respect to this use, it is believed enough simply to point out that appellee is apparently commenting on its opinion that even without employing the teachings of any of the other prior art, it would have been obvious, within the terms of 35 U.S.C. §103, to modify the UMATILLA (DX 53) to correspond to the claims of the Pickrell patent in issue. Appellee cannot, consistently, urge that the "complete anticipation" it refers to is the conventionally used 35 U.S.C. §102 anticipation, since it has long since abandoned any defense based on this statute, as evidenced by its brief as follows (Appellee's Br. 13):

"The statutory test in determining whether the patent was valid is 35 U.S.C. §102 and §103. In this appeal only §103 is involved.***"

(emphasis supplied)

*National Lead Company v. Western Lead Products Company, 324 F2d 539, 139 USPQ 324 (C.A. 9 - 1963); Stauffer v. Slenderella Systems of California, 254 F2d 127, 115 USPQ 347 (C.A. 9 - 1957)

Appellee's following reference (Appellee's Br. 25) to the "statutory bar" presented by Barge R-76 is also in need of clarification:

***Since it was delivered approximately December 23, 1957, it is a statutory bar with respect to the Pickrell patent which was filed more than one year thereafter, namely on April 6, 1959."

Although Barge R-76 antedated the application for the Pickrell patent by more than one year and, accordingly, cannot be avoided as part of the prior art, it is not a true statutory bar in the 35 U.S.C. §102(b) sense for the simple reason that it does not disclose or use the invention in the manner required by statute in this language:

"A person shall be entitled to a patent unless --

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of the application for patent in the United States, ***"

To constitute a "statutory bar" to the obtaining of a patent, this statute requires the specified use or disclosure be of the invention. Under the statute, a piece of prior art falling short of the invention, such as Barge R-76 in the instant case, is not a bar to obtaining

a patent on the invention, even though it may have an effective date antedating the application for the patent by more than one year. It is noted that appellee has, in effect, admitted that Barge R-76 would require modification to arrive at the invention covered by the claims of the Pickrell patent in issue.

The appellee's conclusions (Appellee's Br. 24-29) suggesting several alternative techniques which might be employed to modify the various items of prior art to arrive at the Pickrell invention must, together with the testimony upon which they are based, be weighed, realistically, as hindsight conjecture. These conclusions fail to explain the absence of Mr. Pickrell's invention from the active and well developed body of prior art which preceded it. The credibility of these conclusions is suspect from the very fact that they assume knowledge of Mr. Pickrell's invention and work from that point to explain how the prior art might be modified.

Appellee has urged (Appellee's Br. 28) that the hindsight allegation has not been substantial because no one so testified. On this point, what more could be

asked than the testimony of Mr. Glosten, the architect of the accused barges, admitting that prior to the appellant's Barge 36 he had never seen a V-shaped cofferdam (R. T. 280-281) and the similar admissions of appellee's experts, such as Mr. Spaulding (R. T. 313). It is also significant no witness laid any claim to having conceived the concept of a barge having a V-shaped cofferdam before having been alerted to the invention of the Pickrell patent.

To lend credence to the hindsight opinion testimony of its witnesses, appellee makes the following observation (Appellee's Br. 28-29):

"***all the witnesses who gave opinion testimony on obviousness related their opinion to 1958 and 1957 and earlier, long before the statutory one year period immediately preceding the filing date of the original patent application."

Although the witnesses may have so back dated their opinions, this does not avoid the hindsight character of these opinions, since they were after the fact and with knowledge of the Pickrell invention. The reference to the "statutory one year period" is totally without efficacy with respect to these opinions. This reference is, presumably, based on 35 U.S.C. §102(b), a statute having no bearing whatsoever on back dated opinion evidence. Attention is here invited

to the quotation and discussion of this statute found, supra, at pages 14-16 of this brief.

At page 29 of its brief, appellee comments that there was "no long felt need incapable of fulfillment" in the instant suit, as presented to this Court in Twentier's Research, Inc. v. Hollister Incorporated, 319 F2d 898, 138 USPQ 473 (C.A. 9, 1963), and makes the following conclusion to support it comments:

"***Both Tidewater's and Pacific's predecessors knew exactly what to do and how to do it.***"

It is respectfully submitted that the historical background (pages 2-10, supra) prior to the Pickrell invention and the immediate adoption of the invention, once made, points to the more logical conclusion that there was a long felt need for the invention and that the "predecessors" did not know "exactly what to do and how to do it". If Tidewater's or Pacific's predecessors had knowledge of exactly what to do to arrive at Mr. Pickrell's invention, where is the evidence of this knowledge? Only hindsight and conjectural testimony has been introduced in an effort to establish this knowledge.

Presumption of Validity

In its argument directed to this subject, appellee cites this Court's 1966 decision in Bentley v. Sunset House

to the quotation and discussion of this statute found, supra, at pages 14-16 of this brief.

At page 29 of its brief, appellee comments that there was "no long felt need incapable of fulfillment" in the instant suit, as presented to this Court in Twentier's Research, Inc. v. Hollister Incorporated, 319 F2d 898, 138 USPQ 473 (C.A. 9, 1963), and makes the following conclusion to support it comments:

"***Both Tidewater's and Pacific's predecessors knew exactly what to do and how to do it.***"

It is respectfully submitted that the historical background (pages 2-10, supra) prior to the Pickrell invention and the immediate adoption of the invention, once made, points to the more logical conclusion that there was a long felt need for the invention and that the "predecessors" did not know "exactly what to do and how to do it". If Tidewater's or Pacific's predecessors had knowledge of exactly what to do to arrive at Mr. Pickrell's invention, where is the evidence of this knowledge? Only hindsight and conjectural testimony has been introduced in an effort to establish this knowledge.

Presumption of Validity

In its argument directed to this subject, appellee cites this Court's 1966 decision in Bentley v. Sunset House

Distributing Corp., 359 F2d 140, 149 USPQ 152, for the following holding:

"***Nor does the presumption of validity created by the action of the Patent Office. That presumption in any case 'has been in recent years almost reduced to a nullity in patent cases.' [citing cases]***"

The quotation included in this holding is taken from Jacuzzi Bros. Inc. v. Berkeley Pump Co., 191 F2d 632, 91 USPQ 24, a 1951 decision of this Court based on a fact situation wherein there was no express finding by the District Court that the art called to its attention did not add materially to that before the Patent Office during the solicitation of the patent in question. In the instant case, such a finding was expressly made by the District Court (C. T. 123) in the following language:

"***I find that the submission of the teachings of these devices would not have materially added to the prior art which was actually considered by the Patent Office during the course of the prosecution of the Pickrell patent."

It is respectfully submitted that in the Bentley and Jacuzzi Bros. decisions this Court did not intend its comments regarding the nullity of the presumption of validity to apply to the situation of the instant case wherein the art before the Court was found to be no more material to the

patent in question than the art considered by the Patent Office during solicitation of the patent. If applied to such a situation, the presumption of validity attaching to a patent under the 1952 Act (35 U.S.C. §282) would, indeed, always be reduced to a nullity, regardless of the fact situation involved. This would be contrary to the dictates of this Court set forth in Patterson-Ballagh Corporation v. Perry M. Moss et al, 201 F2d 403, 96 USPQ 206 (see page 42 of Appellant's Opening Brief), a 1953 decision subsequent both to the Jacuzzi Bros. decision and the enactment of the 1952 statute.

Additional Grounds for Affirming
the Finding of Invalidity

Appellee's comments under this heading, in essence, boil down to one allegation. Namely, it is urged that the conduct of the patentee in not disclosing everything he knew to the Patent Office during the course of the prosecution of his patent resulted in a "misuse" which renders the patent unenforceable. This allegation has been fully considered and dismissed by the District Court as being unfounded (C. T. 120-121). It is not seen that further elaboration here would add to the already thorough findings of the District Court on this point.

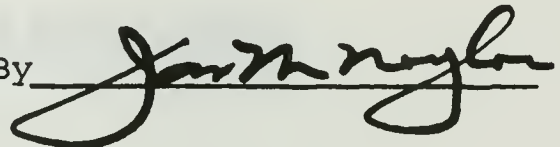
CONCLUSION

The crux of appellee's argument urging invalidity of the claims of the Pickrell patent in issue (Nos. 1, 6, 8 and 11) is seen to revolve around the allegation that the advancement of the patent represented no more than a timely innovation which was obvious within the provisions of 35 U.S.C. §103. On the basis of the historical backbround leading up to the invention forming the subject matter of these claims, and the conspicuous absence of credible evidence establishing obviousness, appellee's plea must be denied.

Respectfully submitted,

JOHN R. GILBERTSON
JAMES M. NAYLOR
JOHN K. UILKEMA
Counsel for Appellants

By

A handwritten signature in black ink, appearing to read "James M. Naylor", written over a horizontal line.

In the
UNITED STATES COURT OF APPEALS
For the NINTH CIRCUIT

v.

Appellee.

ANSWERING BRIEF ON CROSS-APPEAL

JAS. M. NAYLOR, Esquire
JOHN K. UILKEMA, Esquire
1650 Russ Building
San Francisco, California 94104
Telephone (415) 362-7543

Attorneys for Appellant

STATEMENT OF JURISDICTION

Cross-appellee accepts cross-appellant's statement of jurisdiction (Appellee's Br. 41).

STATEMENT OF THE CASE

This subject is covered in pages 1 to 17 of appellant's opening brief, which pages are herein incorporated by reference. Pages 14 to 16 of the recital found on these pages, entitled "The Accused Construction" bear particularly on the issues here under consideration.

The questions involved in this cross-appeal are raised by the District Court's holding at C. T. 132, quoted here for convenient reference:

"***If the Pickrell patent is declared valid, then I would have no hesitancy in holding that defendant's barges, built, converted and operated by defendant infringed Claims 1,6,8 and 11 of the patent in suit in the specifications as set forth in paragraph 2, subdivisions (a), (b), (c) and (d) on pages 8 and 9 of the pre-trial order; that the acts of infringement were knowingly, willfully and wantonly committed and that plaintiff would be entitled to injunctive relief against further infringements.***"

This holding raises the following questions for determination if the Court here reverses the judgment of the District Court by finding that Claims 1, 6, 8 and 11 of the Pickrell patent, or any one or more of them, are valid:

1. Did the District Court err in finding that the accused barges (Nos. 550, 551 and 552) would infringe Claims 1, 6, 8 and 11 of the Pickrell patent if these claims were declared valid?
2. Did the District Court err in finding that, if Claims 1, 6, 8 and 11 of the Pickrell patent were declared valid, their infringement by the defendant (cross-appellant) was knowingly, willfully and wantonly committed?

CROSS-APPELLANT'S NON-INFRINGEMENT ARGUMENT

Under the heading of "Non-infringement", cross-appellant urges that the cofferdam construction in the accused barges is neither continuous nor V-shaped, in the sense

called for in the claims of the Pickrell patent in issue,
As a preface to the following discussion, cross-appellee
reminds the Court that the claims in suit (1, 6, 8 and 11)
fall into two categories, namely:

- a) Claims 6 and 8 which cover the combinations including the V-shaped cofferdam and the collection pit therein, but make no reference to access to the interior of the cofferdam.
- b) Claims 1 and 11 which cover the V-shaped cofferdam and the access provision therefor.

Distinction between these two categories is of particular significance because cross-appellant argues that the accused barges avoid infringement of the claims because the cofferdam structures therein are not continuous in the sense that the interiors thereof are not completely accessible from one entry. It is submitted that even if this argument is considered convincing, it is ineffectual to avoid claims 6 and 8, because these claims make no reference to access to the interior of the cofferdam structure.

The Continuous Character of the Cofferdam
Structure in the Accused Barges

Aside from the fact that one of the very contentions upon which cross-appellant relies to urge non-infringement is completely unsupported by two of the claims, namely the alleged complete access requirement, cross-appellant's argument is defective as to all of the claims for the simple reason that it puts a totally unrealistic interpretation on the word "continuous". Mr. Pickrell, the patentee, did not intend that the V-shaped cofferdam of his invention must be one continuous cofferdam structure without interruption of any kind, but rather that the V-shaped device in the environment described should function as and for a cofferdam. In other words, Mr. Pickrell contemplated that even if the V-shaped cofferdam were compartmented or divided by separating plates, the resulting structure would still function as a cofferdam. Any other interpretation of the patent in suit would be abortive and defeat the purpose of the award of the letters patent.

The continuous nature of the cofferdam structure in the accused barges is evident upon observation, as can

be seen from DX 75 (reproduced at Appellee's Br. 44) and, in more detail, from PX 9A to D, inclusive. It has also, effectively, been conceded by Mr. Spaulding, one of cross-appellant's naval architect experts at R. T. 392-393 as follows:

"Q. Well, by that I mean is there any interruption by a non-cofferdam area anywhere between the sides?

A. No, there is a continuous cofferdam structure which is divided into a series of cofferdams.

Q. But the effectiveness of the cofferdam is continuous from side to side, is it not?

A. Yes, when you consider the interpretation of the requirements of the U.S. Coast Guard there is an effective cofferdam from one side of the vessel to the other. However, there is not access from one side to the other.

Q. I didn't ask you about access yet. I am coming to that.

A. Right."

Mr. Newitt, cross-appellant's patent expert, even admitted that there is no non-void space between the cofferdam extending in abutting relationship from side to side of the accused vessels (R. T. 486-488), as did Mr. Glosten, the architect who designed the vessels for the cross-appellant (R. T. 273-275).

The word "continuous" is not new in patent claims and it has been given a juridical meaning wholly realistic and consistent with the cross-appellee's position here. Thus, in Nachman Spring-filled Corp. v. Spring Products Corp., 68 F (2d) 829; 21 USPQ 91 (CA 2) an argument much like that which cross-appellant here is poised to make was urged and rejected. The District Court (at 17 USPQ 185) held that the patent in suit was not infringed in that the Defendant's device did not respond to the claims thereof. The Second Circuit reversed.

The patent in suit was for a spring cushion construction, the novelty of which was that it embodied a complete, permanently assembled spring casing containing complete individual pockets each wall of which was composed of a single thickness of fabric. The cell walls were so placed as to separate each spring from the adjacent spring and prevent contact therewith so as to insure free movement of the separate springs and to avoid metallic sounds. The cells were formed by parallel continuous partitions the edges of which were stitched or otherwise suitably fastened to the top and bottom layers. Operating with these partitions were transverse partitions or division walls, each of which was formed of an unbroken web of material.

Defendant had cut the one-piece partitions into several sections by removing fractions of the wall at points intermediate of the successive springs. The Court in discussing whether or not this constituted infringement said:

"All appellee has done is to cut the one-piece partitions, illustrated in the patent in suit, into several sections by removing fractions of the wall at points intermediate of the successive springs, where those fractions serve no function, and while appellee's walls are made of a number of pieces of fabric which are separate before being assembled in the casing, when they are once sewed in place in a single plane, they are permanently held in that plane and constitute the continuous walls of the claims."

Thus, the Court interpreted the term "continuous" to include a segmented portion where the segmentation served no useful purpose except to avoid infringement.

In an earlier case, namely, Whitlock Coil Pipe Co. v. Mays Radiator Co., 266 Fed. 215, (CA 2), the same Court had dealt with substantially the same argument (as cross-appellant has here urged) in much the same fashion. The subject invention consisted of a radiator which the claims defined as composed of a "continuous" strip of sheet metal. The Defendant's product used two pieces soldered together. The District Court held there was no infringement.

In reversing, the Court of Appeals, in treating with the term "continuous", said:

"***continuous may and here should be taken in a mechanical sense; and two pieces of metal contiguously placed and soldered together may be considered as a continuous piece when together they function like one piece."

In a still earlier case, namely, Brown v. Reed Manufacturing Co., 81 Fed. 48 (cir. ct. N.D.N.Y., 1897), the patent claimed a pan with perpendicular sides provided with a continuous loop and an intermediate "continuous" zinc plate in a groove or recess. The Defendant's product used two strips of zinc which were joined together. The Court in finding infringement, said:

"It seems clear beyond question that the defendant's strip is 'continuous' in a mechanical and an electrical sense and also according to the ordinary dictionary meaning of the word. Many pieces of twine may be tied together to form a continuous kite string, many different breadths may be united to form a continuous carpet and surely two pieces of zinc may be soldered together to form a continuous strip."

And so it is in the instant case: cross-appellant, by interposing plates to compartment the cofferdam, did not avoid infringement of the claims in suit for the cofferdam

was nonetheless "continuous" in the sense of extending from side to side of the hull from substantially the deck line downwardly and inwardly toward the bottom in a substantially V-shaped cross-sectional outline. It is respectfully submitted that the District Court was correct in finding, in effect, that the cofferdam structures in the accused barges were "continuous".

The V-Shaped Character of the Cofferdam
Structure in the Accused Barges

To call the cofferdam structure in the accused barges a "W-shaped" cofferdam borders on the ridiculous. This is believed readily evident from the very exhibit relied upon by cross-appellant to illustrate its point (DX 75, reproduced at Appellee's Br. 44). The absurdity of this characterization is emphasized by the obviously inconsistent use of the term "V-shaped" by cross-appellant at Appellee's Br. 6 when referring to the 1957 proposal to the Coast Guard (reproduced at Appellee's Br. 7).

The cofferdam structure of the accused barges includes so little of the characteristics of a true "W" to render the same insignificant, for the purposes of

testing infringement. To cross-appellee it represents nothing more or less than the change of form touched upon by Judge East in Webster v. Speed Corporation, 158 F.S. 472, 115 USPQ 285 (D. C. Ore., 1957) [modified at 262 F2d 482, 120 USPQ 256, as to an award of attorney's fees only] when he quoted Judge Fee's remarks from Myers v. Beall Pipe and Tank Corporation et al, 90 F. Supp. 265, 79 USPQ 173 (D.C. Ore. 1948), as follows:

"In attempting to avoid the claims of infringement, it is also argued that the form of the structure does not fall within the claims of the Myers patent. It is fairly obvious that a great deal of effort has been gone to in order to change the form so that it would look different than the Myers patent, but imitation of essentials is the truest flattery and also points to the reality of infringement. Any equivalent of a reach with proper devices for attachment, so that traction is transmitted to the frame and to the ground engaging elements, is sufficient to satisfy a finding of infringement. The attempt to differentiate the accused construction from those of the patent, because the means of attaching and supporting the reach are not identical is made by subtly fallacious reasoning."

It is worth noting, of course, that nowhere does cross-appellant lay any claim that the so-called W-shaped cofferdam is materially different in utilitarian characterization than the V-shaped device.

Being continuous, as we have pointed out, the small cross-sectional or profile differences between the cofferdam of the accused devices and the patented device are of no material significance. Functionally and structurally they serve the same purpose as the cofferdam structure of the patent and are equivalent thereto. Thus, the District Court, correctly, reached the inescapable conclusion when it found (C. T. 119):

"***I do not distinguish between the so-called W-shape used by the accused and the V-shape patented by Patco."

CROSS-APPELLANT'S FILE WRAPPER ESTOPPEL ARGUMENT

We have no quarrel with cross-appellant's definition of the two categories of file wrapper estoppel, nor the cases that were cited, but we do dispute the contention that there are any file wrapper estoppels in the instant case which will give cross-appellant the aid and comfort that it seeks.

The First Asserted File Wrapper Estoppel

As to this estoppel, namely, the cancellation of broader claims in response to a rejection by the Patent Office,

let it be clearly understood that cross-appellee has not sued on canceled Claims 1 and 2. It has, however, brought suit on Claims 1, 6, 8 and 11 of the patent and fully demonstrated that these claims are infringed by the accused barges since they embrace the spirit and substance of the Pickrell invention as defined therein.

Cross-appellant has failed to point out wherein any file wrapper estoppel exists with respect to the claims sued on.

The mere fact that a patentee elects to cancel certain claims and continue the negotiations with the Patent Office for the procurement of other and different claims, does ^{NOT} bar such patentee from the right to enforce the claims obtained. This is precisely the situation here and, so long as it appears that the cross-appellant has infringed certain of the claims allowed, it matters not [in the absence of a showing of a true estoppel] that other and different claims fell by the wayside.

See: Payne v. Williams-Wallace Co., 117 F. (2d) 823, 48 USPQ 575, C. A. 9); (cert. den. 313 US 572). The Court made this cogent observation (48 USPQ 580):

"The rejected claims were for different combinations, and as we understand it any estoppel could extend no further than to the canceled combinations. Johnson v. Philand Co., CCA 9, 96 F.2d 422, 444 [37 USPQ 570, 573]."

The Second Asserted File
Wrapper Estoppel

This claimed estoppel, if recognized, could not apply to Claims 6 and 8 because these claims do not relate to access to the cofferdam. We will therefore discuss it in relation to Claims 1 and 11, only, and thus avoid the confusion that would otherwise arise from cross-appellant's generalization. This confusion even pervaded the record, as witness Mr. Newitt's reluctance to categorize the claims. (R.T. 489).

The file history is not denied by the cross-appellee. It is true that Mr. Pickrell's attorney went so far as to argue that the interior of the cofferdam is substantially completely accessible. However, Claims 1 and 11 are not limited by their language to this access being complete from the deckline as is urged by the defendant. Specifically, as to claim 1, this access provision is recited

as follows:

"said lateral portions of said cofferdam structure having means at approximately the deck line of the hull providing for entry into said cofferdam structure."

Claim 11 similarly recites this access provision as follows:

"said cofferdam having access means opening into the non-cargo chamber therein from the area above the deck to permit inspection of said non-cargo chamber independent of the loading of either or both of said holds."

Accordingly, it can be seen that although the complete access requirement of the patentee's cofferdam was urged in the prosecution of the patent, the provision that this access be complete from the deckline is not claimed. The interpretation of the doctrine of file wrapper estoppel under such circumstances was made clear in Bryan v. Garrett Oil Tools, Inc., 245 F. (2d) 365, 114 USPQ 10 (CA 5, 1957) wherein we find the following:

"***Moreover Bryan is not estopped from claiming broadly enough to include the Garrett valves since in pursuing his application in the Patent Office he did not change the wording of his claim or otherwise limit it, but merely explained to the satisfaction of the examiner where- in the Bryan invention differed from the Otis one--and the distinction is based on the inclusion of the same features that the accused tools also have."

(emphasis supplied)

With respect to the accused structure and the compliance thereof to the access provision of Claims 1 and 11 of the Pickrell patent (as set forth above), attention is directed to the fact that the cofferdam of the accused structure is completely accessible and that, in large part, this access is provided at the deckline (See PX 11A, first picture, and the reference thereto at R. T. 227-228). Thus we hark back to the fact that cross-appellant has elected to avoid the consequences of infringement by the production of a device that is imperfect in construction and mode of operation. The result must be looked upon for what it is, an attempt to evade by imperfect infringement. The infringement is imperfect only insofar as ease of entry is concerned, since the accused structure provides full access to the interior of the cofferdam, whether the vessel is loaded or not. Thus, the departure of the accused structure will not avoid the infringement. See Corpus Juris Secundum, Vol. 69, p. 864, §294, and the cases there collected and discussed. Among others, Nachman Spring-Filled Corp. v. Spring Products Corp., 68 F2d 829, 21 USPQ 91 (C.A. 2), is noted. In that case it was said:

"***It is not a departure from the objects and advantages of the patent. Infringement is not avoided by an infringer utilizing the patent in a less efficient form than that described in the patent or in deliberately impairing some object of the invention by way of evasion. Winans v. Denmead, 15 How. 344, 14 L. Ed. 717; Telescope Cot Bed Co. v. Mine & Smelter Supply Co., 215 F. 100 (C.C.A. 9); Nathan v. Howard, 143 F. 889 (C.C.A. 6). The appellee has not omitted any element of the patented structure. It has partitions extending transversely and also partitions extending longitudinally which function exactly as do the partitions of the patent in suit."

It is submitted that both the established law and the facts here involved support the District Court's finding (C.T. 132):

"Defendant has failed to prove an estoppel against plaintiff in the manner charged in the pre-trial order."

CROSS-APPELLANT'S WILLFUL INFRINGEMENT ARGUMENT

In considering whether the District Court was correct in finding (C. T. 132) that if the Pickrell patent is valid, then the acts of the cross-appellant amounted to knowing, willful and wanton infringement, it is necessary to weigh the evidence, or lack of it, upon which the Court, presumably, based its findings. This may be outlined

as follows:

- 1) The cross-appellant made no pretense or showing, whatsoever, that it investigated its patent position or sought the advice of patent counsel before hiring Mr. Glosten to proceed with the design of the accused barges.
- 2) The cross-appellant made no pretense or showing, whatsoever, that in causing the accused barges to be designed and built, it followed any of the prior patents or public uses made known at the trial.
- 3) The cross-appellant, possessed of a set of prints of the drawings of the barges constructed according to the patent under Mr. Pickrell's auspices (Tidewater's Barges 36 and 37), took advantage of Mr. Glosten's design of Barges 550, 551 and 552, after Mr. Glosten had examined the prints of the drawings and inspected Barges 36 and 37.

- 4) The design of accused Barges 550, 551 and 552 corresponded substantially to the design of Barges 36 and 37 with the exception of a deviation without significance in patent law, namely, the interposition of plates in the transverse profile or cross-sections of the V-shaped cofferdam, without the loss of the continuous nature of the cofferdam in a functional sense.
- 5) The cross-appellant has never contacted cross-appellee about use of the accused barges (R. T. 161).

The wanton character of the cross-appellant's activity is seen most vividly from the evidence of copying threaded throughout its relationship with Mr. Glosten, the designer of the accused barges. Mr. Glosten was requested, in early 1962, by Mr. John Bullock, President of the cross-appellant, to undertake a project of designing barges to fill its need for barges to operate on the Columbia River and to carry grain and petroleum. There were discussions as to a good many barges in cross-appellant's fleet; discussions of competitors' barges and this included Tidewater's

Barges 36 and 37 (R. T. 255-256). Mr. Glosten was engaged in the making of drawings for Barges 550, 551 and 552 for a "matter of several months". In that period, he saw one of the patented barges [he doesn't recall which one] under construction in Albina Shipyards (R. T. 258). He was invited to go aboard and did so. Toward the end of the period of designing the 550 series of barges, Mr. Glosten was in Pasco, with the drawings, for discussion with some of the cross-appellant's people and again, went upon one of the cross-appellee's barges, which was tied up at the pier. He was accompanied by a man from cross-appellant's petroleum operations [Richard Boyles] and a man concerned with management of cross-appellant's wheat transportation [Carl Floten] (R. T. 254-263).

Mr. Glosten saw a set of drawings* of either Barge 36 or 37 [the patented barge] in the offices of the cross-appellant [Pacific Inland] within a few days of the time he visited the barge being completed at Albina in 1960. The drawings were "rolled up and unrolled". He believes there were four (4) drawings which, while no means a complete set of drawings such as he was accustomed to turn out for a barge, nevertheless he believed that a barge

*Mr. Glosten admitted seeing them on more than one occasion (R. T. 255)

could not have been built from the drawings (R. T. 262-264).

In inspecting the drawings, Mr. Glosten discerned that there was a dry cargo space having a bottom that was generally V-shape in cross-section and that there was a cofferdam immediately below the dry cargo space. Prior to seeing these drawings, Mr. Glosten, an experienced naval architect [with practical experience in the operation of tugs and barges (R. T. 250)], had never seen a structure in which there was a V-shaped cofferdam (R. T. 264-265).

With this head start, Mr. Glosten completed the design of accused Barges 550, 551 and 552, as evidenced by PX 9.

Cross-appellant's comments (Appellee's Br. 61) concerning the opinions of its naval architect and patent experts on the patentability of the Pickrell invention are of no probative value in establishing the character of the infringement here under consideration. The naval architect experts, Messrs. Carson and Spaulding, have not been qualified as patent experts. Furthermore, their opinions were

made in hindsight fashion, after the fact. Mr. Newitt, the patent expert, was not called upon for an opinion until 1964 (R. T. 479), long after the accused barges had been constructed and put into operation. Therefore, his opinion is of no weight in establishing that the cross-appellant acted in good faith when carrying its plan through construction and operation of the barges.

Against the backdrop surrounding cross-appellant's activity in making and using the accused barges, and the absence of any evidence of probative value establishing that the activity, and particularly the copying aspects thereof, was in good faith, it is submitted District Court was correct in its findings as to the character of this activity.

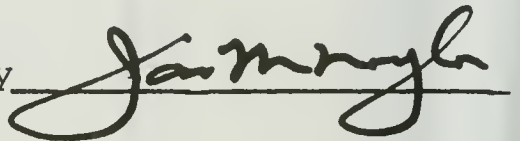
CONCLUSION

The evidence before the District Court supports its findings both with respect to infringement and the knowing, willful and wanton character of this infringement.

Cross-appellant has failed to sustain the burden of establishing that either of these findings are in error.

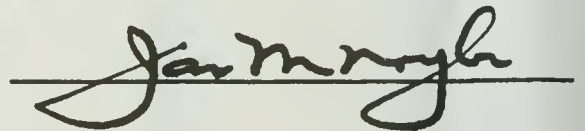
Respectfully submitted,

JOHN R. GILBERTSON
JAMES M. NAYLOR
JOHN K. UILKEMA

By 

CERTIFICATE OF CONFORMANCE

I certify that, in connection with the preparation of this brief, I have examined Rules 18 and 19 of the United States Court of Appeals for the Ninth Circuit, and that, in my opinion, the foregoing brief is in full compliance with these rules.



CERTIFICATE OF SERVICE

The undersigned hereby certifies that three (3) copies of the foregoing APPELLANT'S REPLY BRIEF AND ANSWERING BRIEF ON CROSS-APPEAL have this first day of December, 1966 been sent by first class air mail to Mr. John Gordon Gearin, 800 Pacific Building, Portland, Oregon 97207, the principal attorney for Appellee.

